

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2005

	January-05				December-04				September-04				Current Fiscal YTD	Prior Year FY04	3 Years Ended 6/30/2004 Net	5 Years Ended 6/30/2004 Net
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR		
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
LA Capital	688,198	4.9%	5.1%	-3.45%	712,626	5.1%	5.1%	10.52%	644,557	5.0%	5.1%	-4.17%	2.26%	N/A	N/A	N/A
Total Structured Growth	688,198	4.9%	5.1%	-3.45%	712,626	5.1%	5.1%	10.52%	644,557	5.0%	5.1%	-4.17%	2.26%	19.20%	-5.87%	-7.07%
Russell 1000 Growth				-3.35%				9.17%				-5.23%	0.00%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>																
LSV	763,116	5.4%	5.1%	-1.58%	775,113	5.6%	5.1%	9.12%	710,399	5.5%	5.1%	3.11%	10.74%	29.44%	9.20%	8.31%
Russell 1000 Value				-1.78%				10.38%				1.54%	10.09%	21.13%	2.96%	0.64%
<i>Enhanced Russell 1000 Index</i>																
LA Capital	917,713	6.5%	6.9%	-2.63%	942,345	6.8%	6.9%	9.18%	863,143	6.7%	6.9%	-2.24%	3.93%	18.59%	-0.17%	N/A
Russell 1000				-2.52%				9.80%				-1.81%	5.09%	19.48%	-0.32%	N/A
<i>Enhanced S&P 500 Index</i>																
Northern Trust	927,175	6.6%	6.9%	-2.35%	949,852	6.8%	6.9%	9.18%	869,971	6.7%	6.9%	-2.17%	4.30%	19.00%	-0.31%	N/A
Strong	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	1	0.0%	0.0%	N/A	N/A	21.13%	-0.06%	N/A
Westridge	924,791	6.5%	6.9%	-2.40%	947,348	6.8%	6.9%	9.50%	866,703	6.7%	6.9%	-1.94%	4.80%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	1,851,966	13.1%	13.7%	-2.38%	1,897,200	13.7%	13.7%	9.34%	1,736,674	13.5%	13.7%	-2.13%	4.47%	19.81%	-0.24%	N/A
S&P 500				-2.44%				9.23%				-1.87%	4.58%	19.11%	-0.69%	N/A
<i>S&P 500 Index</i>																
State Street	470,867	3.3%	3.4%	-2.43%	482,601	3.5%	3.4%	9.23%	441,800	3.4%	3.4%	-1.87%	4.59%	19.08%	-0.67%	-2.17%
S&P 500				-2.44%				9.23%				-1.87%	4.58%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	4,691,859	33.2%	34.3%	-2.46%	4,809,885	34.7%	34.3%	9.44%	4,396,574	34.1%	34.3%	-1.59%	5.05%	20.38%	0.08%	-2.14%
S&P 500				-2.44%				9.23%				-1.87%	4.58%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	1,443,842	10.2%	10.7%	-4.41%	1,636,897	11.8%	10.7%	14.79%	1,424,802	11.0%	10.7%	-3.59%	5.79%	33.33%	5.76%	N/A
Russell 2000 + 200bp				-4.01%				14.64%				-2.36%	7.45%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,443,842	10.2%	10.7%	-4.41%	1,636,897	11.8%	10.7%	14.79%	1,424,802	11.0%	10.7%	-3.59%	5.79%	33.33%	5.76%	6.81%
Russell 2000				-4.17%				14.09%				-2.86%	6.21%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY																
<i>Large Cap - Core</i>																
State Street	82,767	0.6%	0.6%	-1.85%	84,306	0.6%	0.6%	10.22%	143,442	1.1%	1.1%	-1.24%	6.84%	27.44%	0.42%	-1.44%
MSCI EAFE (1)				-1.83%				11.69%				-0.72%	8.85%	26.98%	-1.27%	-1.15%
<i>Large Cap - Active</i>																
Capital Guardian	238,850	1.7%	1.7%	-0.86%	241,131	1.7%	1.7%	10.34%	345,088	2.7%	2.8%	-1.48%	7.78%	25.40%	-1.15%	1.54%
LSV	230,509	1.6%	1.7%	0.48%	229,300	1.7%	1.7%		-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Transition Account	45	0.0%	0.0%	N/A	(30)	0.0%	0.0%		-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Bank of Ireland	80,438	0.6%	0.6%	-3.42%	83,242	0.6%	0.6%	16.02%	70,500	0.5%	0.6%	-1.07%	10.85%	23.61%	N/A	N/A
Total Large Cap - Active	549,842	3.9%	3.9%	-0.69%	553,643	4.0%	3.9%	11.63%	415,588	3.2%	3.3%	-1.41%	9.30%	25.11%	-0.79%	1.76%
MSCI EAFE - 50% Hedged				-0.52%				11.11%				-0.72%	9.74%	26.98%	-1.27%	-1.15%
<i>Small Cap - Active</i>																
Lazard	82,025	0.6%	0.6%	0.86%	81,278	0.6%	0.6%	16.15%	75,375	0.6%	0.6%	0.76%	18.03%	44.40%	N/A	N/A
Wellington	82,366	0.6%	0.6%	3.45%	79,568	0.6%	0.6%	13.12%	69,143	0.5%	0.6%	-4.63%	11.61%	42.26%	N/A	N/A
Total Small Cap - Active	164,391	1.2%	1.1%	2.14%	160,846	1.2%	1.1%	14.63%	144,519	1.1%	1.1%	-1.92%	14.83%	43.25%	N/A	N/A
Citigroup Broad Market Index < \$2BN				2.20%				16.82%				-0.82%	18.41%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	797,000	5.6%	5.5%	-0.24%	798,795	5.8%	5.5%	11.66%	703,548	5.5%	5.5%	-1.47%	9.75%	29.19%	2.00%	1.63%
MSCI EAFE - 50% Hedged				-0.52%				11.11%				-0.72%	9.74%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY																
Capital Guardian	291,704	2.1%	2.0%	0.62%	289,908	2.1%	2.0%	15.37%	251,121	1.9%	2.0%	7.64%	24.96%	27.91%	8.93%	2.83%
MSCI Emerging Markets Free				0.32%				17.27%				8.25%	27.35%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	417,780	3.0%	2.3%	0.28%	405,670	2.9%	3.1%	1.25%	400,717	3.1%	3.0%	3.67%	5.26%	2.02%	8.00%	8.39%
Lehman Aggregate				0.63%				0.96%				3.20%	4.84%	0.32%	6.35%	6.95%
<i>Active Duration</i>																
WestAM (Criterion)	412,640	2.9%	2.3%	0.49%	400,077	2.9%	3.1%	1.06%	395,944	3.1%	3.0%	2.75%	4.34%	-0.25%	5.14%	6.43%
Lehman Aggregate				0.63%				0.96%				3.20%	4.84%	0.32%	6.35%	6.95%
<i>Index</i>																
Bank of ND	727,043	5.1%	6.0%	0.71%	675,803	4.9%	5.9%	0.70%	669,044	5.2%	5.8%	3.46%	4.91%	-1.03%	6.88%	7.04%
Bank of ND Match Loan CD Program	212,481	1.5%	1.5%	0.43%	215,932	1.6%	1.6%	1.26%	214,825	1.7%	1.7%	1.21%	2.92%	5.08%	5.57%	5.70%
Total Index	939,525	6.7%	7.5%	0.62%	891,735	6.4%	7.5%	0.87%	883,869	6.9%	7.5%	3.05%	4.59%	0.23%	6.79%	6.83%
Lehman Gov/Credit				0.69%				0.80%				3.56%	5.11%	-0.72%	6.73%	7.10%
<i>Convertibles</i>																
TCW	422,669	3.0%	2.3%	-1.98%	422,256	3.0%	3.1%	8.54%	389,170	3.0%	3.0%	-3.94%	2.20%	16.74%	0.51%	3.89%
Merrill Lynch All Convertibles				-2.29%				5.37%				-1.05%	1.87%	14.44%	4.95%	5.78%

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	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	6/30/2004 Net	6/30/2004 Net
BBB Average Quality																
Wells Capital (formerly Strong)	422,443	3.0%	2.3%	1.43%	407,645	2.9%	3.1%	3.94%	391,410	3.0%	3.0%	4.62%	10.29%	1.29%	6.26%	7.23%
Lehman BBB				1.56%				1.69%				4.76%	8.20%	1.23%	8.23%	6.60%
Timberland																
RMK	512,915	3.6%	3.6%	-0.07%	499,677	3.6%	3.6%	8.02%	466,787	3.6%	3.6%	3.86%	12.10%	10.46%	N/A	N/A
TIR	1,355,769	9.6%	9.6%	48.02%	892,325	6.4%	6.4%	0.43%	891,416	6.9%	6.9%	N/A	N/A	N/A	N/A	N/A
Total Timberland	1,868,684	13.2%	13.2%	30.75%	1,392,001	10.0%	10.0%	3.04%	1,358,203	10.5%	10.5%	3.86%	39.93%	10.46%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	4,483,741	31.7%	30.0%	10.88%	3,919,384	28.2%	30.0%	2.69%	3,819,313	29.6%	30.0%	2.69%	16.93%	5.08%	6.35%	7.34%
Lehman Aggregate				0.63%				0.96%				3.20%	4.84%	0.32%	6.35%	6.95%
HIGH YIELD BONDS																
Loomis Sayles	356,795	2.5%	2.5%	0.04%	356,488	2.6%	2.5%	7.13%	332,737	2.6%	2.5%	6.23%	13.86%	N/A	N/A	N/A
Lehman High Yield Cash Pay Index				-0.12%				4.51%				4.85%	9.44%	N/A	N/A	N/A
Sutter/Wells Capital	345,262	2.4%	2.5%	-0.14%	345,571	2.5%	2.5%	3.98%	332,404	2.6%	2.5%	4.20%	8.20%	N/A	N/A	N/A
Merrill Lynch High Yield Master II Index				-0.10%				4.55%				4.63%	9.28%	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	702,056	5.0%	5.0%	-0.05%	702,059	5.1%	5.0%	5.56%	665,141	5.2%	5.0%	5.21%	11.00%	7.69%	6.68%	2.79%
Lehman High Yield Bond Index				-0.13%				4.57%				4.85%	9.50%	10.33%	9.30%	4.78%
INTERNATIONAL FIXED INCOME																
International Sovereign																
UBS Global (Brinson)	316,735	2.2%	2.3%	-1.96%	322,955	2.3%	2.3%	10.41%	289,932	2.2%	2.3%	3.06%	11.56%	7.86%	14.20%	6.47%
Citigroup Non-US Gov't Bond Index (2)				-1.92%				10.63%				3.29%	12.08%	7.59%	13.65%	6.84%
International Core																
Brandywine	314,105	2.2%	2.3%	-2.35%	323,170	2.3%	2.3%	9.22%	298,484	2.3%	2.3%	4.74%	11.70%	9.65%	N/A	N/A
Lehman Global Aggregate (ex-US)				-2.07%				10.66%				3.49%	12.15%	5.20%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	630,840	4.5%	4.5%	-2.16%	646,124	4.7%	4.5%	9.81%	588,417	4.6%	4.5%	3.90%	11.63%	8.78%	14.41%	6.59%
Citigroup Non-US Gov't Bond Index (2)				-1.92%				10.63%				3.29%	12.08%	7.59%	13.65%	6.84%
REAL ESTATE																
J.P. Morgan	692,654	4.9%	5.0%	1.17%	684,628	4.9%	5.0%	2.85%	665,634	5.2%	5.0%	3.83%	8.05%	11.11%	7.63%	9.54%
NCREIF TOTAL INDEX				1.54%				4.69%				3.42%	9.94%	10.82%	8.40%	9.33%
ALTERNATIVE INVESTMENTS																
Coral Partners V	26,676			0.00%	27,088			-4.59%	31,850			6.37%	1.49%	-31.07%	-34.06%	-13.63%
Coral Partners V - Supplemental	3,150			0.00%	3,199			2.90%	3,788			2.37%	5.34%	30.44%	N/A	N/A
Coral Partners VI	17,187			0.00%	17,453			-2.08%	20,599			-0.28%	-2.35%	-21.72%	N/A	N/A
Brinson 1998 Partnership Fund	6,736			0.00%	6,840			-0.98%	9,112			3.37%	2.35%	9.41%	-7.52%	3.66%
Brinson 1999 Partnership Fund	12,258			0.00%	12,447			2.80%	13,584			0.48%	3.29%	14.66%	-9.09%	-1.33%
Brinson 2000 Partnership Fund	22,817			0.00%	23,169			3.30%	25,161			3.01%	6.41%	11.19%	-6.65%	N/A
Brinson 2001 Partnership Fund	12,193			0.00%	12,381			1.05%	11,368			0.81%	1.87%	6.64%	-2.03%	N/A
Brinson 2002 Partnership Fund	7,675			0.00%	7,793			-4.00%	6,400			-4.97%	-8.76%	14.42%	N/A	N/A
Brinson 2003 Partnership Fund	1,217			0.00%	1,235			2.02%	857			-2.71%	-0.74%	-4.63%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	6,963			0.00%	7,071			7.91%	7,850			5.73%	14.09%	21.09%	8.14%	4.24%
Brinson 2000 Non-US Partnership Fund	7,944			0.00%	8,066			2.89%	9,571			3.24%	6.22%	15.38%	5.71%	N/A
Brinson 2001 Non-US Partnership Fund	5,988			0.00%	6,080			-1.63%	5,846			0.86%	-0.79%	16.63%	3.39%	N/A
Brinson 2002 Non-US Partnership Fund	9,802			0.00%	9,953			6.60%	9,537			0.27%	6.89%	18.67%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	2,638			0.00%	2,678			-0.78%	2,061			-0.12%	-0.90%	-3.93%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	345			0.00%	350			-1.76%	400			0.09%	-1.67%	N/A	N/A	N/A
Brinson BVCF IV	36,589			0.00%	36,181			-0.88%	44,981			6.66%	5.72%	21.17%	-9.85%	-10.01%
Matlin Patterson Global Opportunities	26,585			0.00%	26,995			4.11%	44,084			-3.26%	0.72%	13.00%	N/A	N/A
Matlin Patterson Global Opportunities II	20,458			0.00%	20,774			-1.12%	-			N/A	N/A	N/A	N/A	N/A
InvestAmerica	8,895			0.00%	9,032			0.00%	10,133			17.28%	17.28%	-7.73%	N/A	N/A
Hearthstone MSII	-			N/A	0			536.18%	1,155			106.69%	N/A	28.64%	20.32%	N/A
Hearthstone MSIII	52,168			0.00%	47,250			1.26%	52,350			-0.08%	1.18%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	288,283	2.0%	3.0%	0.00%	286,038	2.1%	3.0%	2.75%	310,686	2.4%	3.0%	2.92%	5.74%	7.05%	-11.71%	-3.15%
CASH EQUIVALENTS																
Northern Trust STIF/STEP	100,840	0.7%	0.0%	0.20%	101,635	0.7%	0.0%	0.45%	70,617	0.5%	0.0%	0.44%	1.09%	1.44%	1.86%	3.48%
90 Day T-Bill				0.17%				0.48%				0.37%	1.02%	0.98%	1.71%	3.29%
TOTAL FUND	14,122,820	100.0%	100.0%	1.66%	13,875,353	100.0%	100.0%	7.49%	12,895,852	100.0%	100.0%	0.59%	9.92%	15.99%	4.25%	3.59%
POLICY TARGET BENCHMARK				-1.13%				6.89%				0.80%	6.53%	13.67%	4.14%	3.12%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.